

Memorandum

To: Panel Members Date: March 27, 2003

From: Ron Tagami, Manager Analyst: S. Lipkin
Peter DeMauro, General Counsel

Subject: One-Step Agreement for **Adcon Technical Institute, Inc.**
(www.adconsys.com)

CONTRACTOR:

- Multiple Employer: Training Agency
- Training Project Profile: Retraining: companies with out-of-state competition
- Legislative Priorities: Displace/Potentially displaced workers
- Type of Industry: Various Industries
- Repeat Contractor: No
- Union Representation: No
- Name and Local Number of Union representing workers to be Trained: None of the core group of employers is represented by collective bargaining agreement.

CONTRACT:

- Program Costs: \$83,200
- Substantial Contribution: \$0
- Multiple Employer Support (8%) \$5,760
- Total ETP Funding: \$88,960
- In-Kind Contribution: \$72,789
- Maximum Contractor Charge: \$0 per trainee
- Reimbursement Method: Fixed-Fee
- County(ies) Served: Los Angeles and Orange
- Duration of Agreement: 24 months

NARRATIVE:

Adcon Technical Institute, Inc. (ATI) is eligible to provide training under Title 22, California Code of Regulations section 4400 (z) as a training agency.

The participating employers are determined eligible for Employment Training Panel funding under Title 22, California Code of Regulations, Section 4416,(a)(1-4) and (b), as manufacturers and as companies facing out-of-state competition by producing a product sold in the state which competes with products produced out-of-state, or by providing a service out-of-state, or by providing a service in the state in competition with providers of the same service which are located out-of-state. The participating employers meet the Employment Training Panel's funding priorities specified in Unemployment Insurance Code, Section 10200 (b)(4) because their workers are in danger of being displaced.

ATI was founded in January, 1998 as an affiliate of Adcon Computer Systems which was established in 1985. ATI provides accelerated high-tech training with a staff of 30 instructors. Most of its student population work in the field of Information Technology and are in need of very specific advanced training in Computer Skills. The school specializes in training in system development and Real World Accounting Software, Microsoft, Oracle and Cisco products. ATI reports it updates equipment on a monthly basis, if necessary, to meet the ever changing requirements in the field of information technology, and, in the last 12 months, has invested approximately \$100,000 in new equipment and software.

ATI has been approved by the Bureau for Private Postsecondary and Vocational Education for teaching Computer Skills since 1998. The school is also accredited by the Accrediting Commission of Career Schools and Colleges of Technology which is recognized by the United States Department of Education. ATI will be providing Computer Skills training in this project.

Computer Skills: Trainees in occupations such as Programmers, Technical Staff, Administrators and Clerical Staff, Marketing Associates, Managers and Supervisors, Accounting Clerks, and Systems Administrators will receive Computer Skills training from a wide range of modules including Library Master, E-Commerce Solutions, Data Processing, and PowerPoint 2002. Training will be customized according to the needs of each participating company. After training, trainees will be able to electronically produce their products in a more efficient manner utilizing not only the learned skills but incorporating the skills of the upgraded software modules.

All training will be conducted at the participating employer's worksite.

Employer Demand

ATI reports substantial growth in the last few years because of demand for its training in computer, networking, repair, and application training which has made it possible for the school to establish long-term business relationships with numerous companies. ATI plans to introduce the proposed training in the community and throughout Southern California. The school will distribute newsletters, participate in Norwalk Chamber of Commerce meetings, workshops, and seminars, and will e-mail informational bulletins to companies in a larger area. In addition, ATI will reach out to immigrant-owned businesses and other minority-owned businesses by using the Korean Los Angeles Times business column, the Central Korean Times business column, the Chinese Daily News business column, and the Los Angeles Daily News business column.

NARRATIVE (continued):

Each prospective participating employer is interviewed, evaluated, and assessed by the school to identify training needs and goals. The curriculum in this proposal is the product of this process after core employers were contacted and their training needs were assessed. Once the assessment is complete, ATI customizes its menu curriculum to meet each company's individual needs. To ensure the effectiveness of the training, trainees and representatives of the participating companies will be asked to evaluate the curriculum at three separate intervals of training: upon thirty percent completion of training, upon sixty percent completion of training, and when training is completed. This feedback will help to continuously improve and shape the curriculum.

Supplemental Nature of Training

The ETP-funded training will supplement existing training by participating employers. Most companies have no training program whatsoever in place and the ones that have a training program have not provided any Computer Skills training in recent years. Some of the participating employers have provided a limited amount of Management Skills training to managers and supervisors, but training in Computer Skills has not been provided. This training proposal will provide trainees throughout the organization with a carefully designed curriculum with classroom and laboratory training which will allow workers to receive hands-on training. Without ETP training funds, participating companies would not get a customized curriculum which addresses each employer's objectives and goals, less workers would be allowed to participate, and it is likely that workers without training would be displaced.

In-Kind Contribution

Participating employers will contribute a total of \$72,789 for the proposed training. Wages and fringe benefits paid to trainees while in training will be approximately \$64,539 and project development and the training needs assessments will be approximately \$8,250.

PROPOSED ACTION:

Staff recommends that the Panel approve this One-Step Agreement if funding is available and the project meets the Panel priorities, based on ATI's stated need for each of its participating employers to gain the skills needed to enhance their company's ability to stay in business, remain competitive and to grow in the California economy.

TRAINING PLAN:

Grp/Trainee Type	Types of Training	No. Retain	No. Class/Lab Videocnf. Hrs	No. CBT Hrs	No. SOST Hrs.	Cost per Trainee	Hourly Wage after 90 days
Job 1 Retrainee	Computer Skills	50	80	0	0	\$1,112	\$12.00-\$24.00
Job 2 Retrainee	Computer Skills	40	60	0	0	\$834	\$12.00-\$24.00
						<u>Range of Hourly Wages</u> \$12.00-\$24.00	
						<u>Prevalent Hourly Wage</u> \$15.00	
						<u>Average Cost per Trainee</u> \$988	
<u>Health Benefit used to meet ETP minimum wage:</u> N/A						<u>Turnover Rate</u> Shall not exceed 20% annually	<u>% of Mgrs & Supervisors to be trained:</u> Shall not exceed 40%

COMPUTER SKILLS CURRICULUM

Class/Lab Hours

60 - 80

Trainees will be provided any of the following topics:

Library Master

General Ledger

Accounts Payable & Accounts Receivable

Inventory Management

Purchase Order

Great Plain / Microsoft Structure Query Language Server Implementation

Data File Structures

Crystal Reports for Great Plain for Structure Query Language Server

Payroll

MAS200 / Microsoft Structure Query Language Server Implementation

Crystal Reports for MAS200 for Structure Query Language Server

Network Security

- Scope
- Windows 2000 Security
- Exchange Server 5.5 and 2000
- Web Server
- Structure Query Language programming and maintenance
- .NET (Microsoft® .NET is a set of Microsoft software technologies for connecting information, people, systems, and devices) programming

Photoshop

Microsoft Excel

Microsoft PowerPoint 2002

AutoCad

Build Company's exiting website to be more functional and create an online store using newer technologies (Hardware and Software)

Overview of Design Concepts Types of Electronic Commerce

E-commerce Solutions

Ingredients of a Web Storefront

Seven Ingredients to Success

The Virtual Enterprise

Business-to-Consumer (B2C)

Business-to-Business (B2B)

Electronic Data Interchange (EDI)

Open Buying on the Internet (OBI)

Online Catalog

Payment Gateways (Credit Card Processing, Digital Cash, Electronic Commerce Security Myths, online Check Processing)

Transaction Security

Electronic Commerce Foundations

Web Marketing Goals / Online Product Promotion

Site Usability / Online Marketing Strategies

Consumer Service Methods

Business-to-Business Frameworks

Site Creation Packages: Outsourcing

Implementation and Case Studies

E-Services Support

Inventory and Shipping Data / Order Tracking

Synchronous and Asynchronous Service

**Participating Employers in Retrainee/New Hire
Multiple Employer (MEC) Agreements
(ETP 100B)**

Contractor's Name: Adcon Technical Institute, Inc.

CCG No.: ET03-0290

Reference No: 03-0124

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PRINT OR TYPE

Company: Alpha & Omega Computer, Inc.

Address: 1350 Bixby Drive

City, State, Zip: City of Industry, CA 91745

Contact Person/Title: Thomas H. Lee / Vice President

Telephone No.: (626) 330-9833

Collective Bargaining Agreement(s): None

Total # of full-time company employees worldwide: 25 CA: 25

Estimated # of employees to be retrained or hired under this Agreement: 15

Company: Hyosung (America), Inc.

Address: 18000 Studebaker Road, Suite 290

City, State, Zip: Cerritos, CA 90703

Contact Person/Title: Benny Jeong / Branch Manager

Telephone No.: 562-809-8449

Collective Bargaining Agreement(s): None

Total # of full-time company employees worldwide: 7000 CA: 16

Estimated # of employees to be retrained or hired under this Agreement: 12

Company: International Window Treatments, Inc. – Custom Craft Company

Address: 13707 Midway Street

City, State, Zip: Cerritos, CA 90703-2330

Contact Person/Title: Vincent Lin / Manager

Telephone No.: (562) 404-7126 ext 122

Collective Bargaining Agreement(s): None

Total # of full-time company employees worldwide: 730 CA: 200

Estimated # of employees to be retrained or hired under this Agreement: 16

**Participating Employers in Retrainee/New Hire
Multiple Employer (MEC) Agreements
(ETP 100B)**

Contractor's Name: Adcon Technical Institute, Inc.

CCG No.: ET03-0290

Reference No: 03-0124

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PRINT OR TYPE

Company: Marquez Brothers Enterprises, Inc.

Address: 15480 Valley Blvd.

City, State, Zip: City of Industry, CA 91746

Contact Person/Title: Francisco Lara / Vice President

Telephone No.: (616) 330-3310

Collective Bargaining Agreement(s): None

Total # of full-time company employees worldwide: 1200 CA: 800

Estimated # of employees to be retrained or hired under this Agreement: 13

Company:

Address:

City, State, Zip:

Contact Person/Title:

Telephone No.:

Collective Bargaining Agreement(s):

Total # of full-time company employees worldwide:

Estimated # of employees to be retrained or hired under this Agreement:

Company:

Address:

City, State, Zip:

Contact Person/Title:

Telephone No.:

Collective Bargaining Agreement(s):

Total # of full-time company employees worldwide:

Estimated # of employees to be retrained or hired under this Agreement: